

Exhibit A

WHOLESALE BROKERAGE AGREEMENT

THIS WHOLESALE BROKERAGE AGREEMENT ("Agreement") is entered into as of the 23rd day of March, 1998, by and between Fremont Investment & Loan, a California corporation licensed in the State of California as an industrial loan company ("Lender"), and Country Mortgage Services Inc., a Illinois corporation ("Broker"), with reference to the following facts:

A. Lender, a California licensed lender, is engaged in, among other things, the business of making and servicing mortgage loans. Lender desires to establish wholesale relationships with other licensed, ethical real estate brokers who wish to submit mortgage loans for funding by Lender.

B. Broker has represented it is a licensed real estate broker who is desirous of placing its clients' requests for mortgage loans for funding by Lender.

C. This Agreement is entered into to establish the terms and conditions for the origination and funding of mortgage loans and the relationship and responsibilities of Lender and Broker with respect to that activity.

NOW, THEREFORE, in consideration of the foregoing matters and the mutual covenants in this Agreement, the parties agree as follows:

1. *Approval of Broker.* Subject to the terms, conditions and limitations in this Agreement, Lender hereby approves Broker as an approved retail broker. Lender agrees to review applications for mortgage loans ("Loans") and if Lender deems them complete and suitable for investment, it agrees to issue conditional commitments to make the Loans.

2. *Broker's Submission Responsibilities.* As the exclusive and only agent of the Borrower in the loan transaction, and not as the agent of Lender, Broker shall take and complete loan application packages, including credit verifications, obtain appraisals, and all other information and documentation required by Lender ("Loan Application Package") for submission to Lender. Broker shall perform other duties for its borrower-clients, not on behalf of Lender, as required by law, including, but not limited to: collecting financial information; ordering requests for mortgage rating; ordering verifications of employment and deposits; counseling its borrower-clients about the loan process, alternatives to financing, selecting a lender, the risks and merits of mortgage borrowing and the meaning of loan documents; communicating with loan applicants; ordering legal documents; ordering inspections and engineering reports; and delivering Broker's disclosures and other material information. Each Loan Application Package, and Broker's activities hereunder, shall be subject to, and shall comply with, the terms and conditions of this Agreement and Lender's Loan Submission Guidelines (the "Guidelines"), as the same may be amended from time to time.

3. *Loan Programs.* All Loan Application Packages submitted by Broker to Lender shall

be submitted only for those types of mortgage loan programs as are offered by Lender from time to time. Lender will publish a list of program guidelines from time to time, which may include provisions for eligible property types, loan limits, loan-to-value ratios, interest rates, points and fees. Notwithstanding the foregoing provisions, Broker acknowledges that the interest rates, points, fees and other terms of such loan programs are subject to change and that Lender reserves the right to modify, add or discontinue loan programs subject to this Agreement.

4. *Submission, Registration and Rate Lock Protection.* The procedures for the submission and registration of each Loan Application Package and for the protection of the interest rate and points of each Loan to be funded hereunder are set forth in the Guidelines, as amended by Lender in its sole discretion from time to time. Only the Lender has the authority to issue rate locks.

5. *Appraisals and Credit Reports.* In accordance with 12 C.F.R. 323.5(b) Broker is authorized to and on behalf of Lender shall obtain and furnish to Lender an accurate appraisal for each Loan Application Package, which appraisal shall be performed by an appraiser whom Broker represents to be: (a) not disapproved by Lender in writing, (b) the holder of a valid license or certification for the applicable loan type from the applicable state authority with oversight over appraiser's activities in compliance with the requirements of the Federal Reserve Board's Regulation Y, 12 C.F.R. Part 225, (c) having no interest, direct or indirect, in the real property subject to the appraisal, (d) not entitled to receive compensation which is affected by the approval or declination of the applicable loan and (e) covered by professional liability insurance in form and substance acceptable to Lender. All credit reports submitted in connection with Loan Application Packages must be provided by a credit bureau approved in writing by Lender. The cost of all appraisals and credit reports submitted in connection with any Loan Application Package shall be borne by Broker or Borrower, and Lender shall have no responsibility for such cost. At the request of Lender, Broker shall submit evidence an appraiser is licensed, certified and has errors and omissions insurance.

6. *Underwriting.* Notwithstanding any other provision of this Agreement to the contrary, the decision whether any Loan shall be approved for funding, and the terms of such Loan, shall be the sole responsibility, and at the sole discretion of, Lender. Lender will, by written notification, approve or decline each loan application submitted to it for consideration. Each Loan Application Package shall be underwritten by Lender in accordance with the then-current guidelines as they pertain to the loan program requested. Lender shall have no obligation, express or implied, to fund any Loan which is not approved in writing by Lender. Broker shall be responsible for informing each loan applicant of the matters set forth in this paragraph.

7. *Funding.* All loans shall be closed in the name of, and shall be funded by Lender. In either event, Broker hereby releases all interest in the loans, including, without limitation, all servicing rights, to Lender, its successors and assigns.

8. *Compensation to Broker.* Any compensation earned by or otherwise owing to Broker for any services in connection with Broker's settlement services pursuant to this Agreement shall be payable only after Broker provides Lender with evidence that Broker has made a full disclosure

to the loan applicant of fees to be paid to Broker through the closing and fees paid or to be paid by the Lender to the Broker outside of the closing. Broker's fees and expenses shall be limited to the amount set forth on Lender's conditional loan approval notification. Notwithstanding the foregoing provisions, Broker shall fully, accurately and promptly disclose its anticipated fees and charges to Lender in order that Lender may make its required disclosures to the loan applicant.

9. *Non-exclusive Relationship.* In its sole discretion, Lender may use other loan brokers, and Broker may submit loan applications to lenders and brokers other than Lender. Nothing contained herein shall be construed as granting to Broker any exclusive right, whether with respect to time, territory or subject matter.

10. *Agency.* When performing its obligations under this Agreement, except as may be construed with respect to obtaining appraisals under paragraph 5 hereof, Lender and Broker agree that Broker is neither an agent nor an employee of Lender and may not be construed as such by reason of this Agreement. Broker shall be deemed to be acting as an independent contractor and agent and representative of the loan applicant, and not of Lender. Broker is hereby expressly prohibited from holding itself out as an agent, representative or employee of Lender or as having any endorsement from or affiliation with Lender. Broker shall have no authority to sign on behalf of Lender or to commit Lender in any manner whatsoever to fund Loans. This Agreement shall not be deemed to appoint Broker as attorney-in-fact of Lender or create any power of attorney in Broker. Broker shall not make express or implied representations or warranties to loan applications that conflict with the authority set forth in this Agreement. Broker is specifically prohibited from using Lender's name in any form of advertising without Lender's prior written consent. Lender is acknowledged not to be the agent of the loan applicant, but represents solely the Lender in all Loan transactions. Broker shall obtain the acknowledgment from each borrower that Lender is not the agent of the borrower. There shall be no partnership, franchise, joint venture, agency or any other association between Lender and Broker.

11. *Limitations on Broker's Authority.* Broker has no authority, express or implied, to bind Lender in any manner whatsoever. No statement or representation of Broker shall be binding upon Lender unless such statement or representation is in writing and signed, printed or published by an authorized employee of Lender.

12. *Broker's Compliance Obligation.* Broker shall maintain at all times in good standing any and all required business and professional licenses, and shall comply with all business tax requirements and all state and federal laws, rules and regulations which apply to Broker because of Broker's activities as a mortgage broker for its loan applicant clients, including, but not limited to, as applicable to Broker, the Fair Credit Reporting Act, the Equal Credit Opportunity Act, the Truth in Lending Act, the Real Estate Settlement Procedures Act, the Home Mortgage Disclosure Act, state licensing laws, all regulations promulgated in connection therewith, and government monitoring regulations and disclosure laws in connection with Broker's solicitation and processing of Loan Application Packages.

13. *Broker's Warranties.* Broker hereby warrants and represents to Lender as follows, which representations and warranties shall be deemed to be made as of the date of this Agreement, as of the date each Loan Application package is submitted to Lender, and as of the date each Loan is funded by Lender:

- a) Broker is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized, or is a sole proprietorship validly registered to do business under the name set forth in this Agreement, has all licenses necessary to conduct its business as it is now being conducted, and is licensed and qualified to transact business and is in good standing in the states in which the property to be encumbered in connection with the Loan(s) is located. Broker has the power and authority to own its assets and to carry on its business as it is now being conducted and is in compliance with all applicable laws governing the business of mortgage brokering.
- b) This Agreement has been duly authorized, executed and delivered to Lender and constitutes the valid and legally binding obligation of Broker, enforceable in accordance with its terms, except as to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally.
- c) The performance by Broker of Broker's obligations hereunder will not violate any provisions of the articles of incorporation or bylaws of Broker, or of any instrument relating to the conduct of Broker's business or of any other instrument or agreement to which Broker is a party.
- d) There is no action, suit, proceeding or investigation pending or threatened against Broker which, either in any one instance or in the aggregate, may result in any material adverse change in the business, operations, financial condition, properties or assets of Broker, or in any material impairment of the right or ability of Broker to conduct its business substantially as it is now being conducted, or which would draw into question the validity of this Agreement, the Loans or any action taken or to be taken in connection with the obligations of Broker contemplated by this Agreement, or which would be likely to impair materially the ability of Broker to perform its obligations under this Agreement.
- e) Broker has obtained, and will maintain in full force and effect during the term of this Agreement, all licenses and authorizations necessary to do business and perform its obligations under this Agreement in all appropriate jurisdictions.
- f) No person or entity other than Broker and its agents and employees is involved in the taking or processing of each Loan Application Package.
- g) All information regarding Broker, which is furnished from time to time by Broker to Lender, is true and correct in all material respects as of the date or dates such

information is furnished.

- h) Broker has full right and authority to submit on behalf of each Borrower each Loan Application Package to Lender, and such right to submit is not subject to any other person's or entity's interest or to an agreement with any other person or entity.
- i) Each Loan Application Package was taken and processed by Broker, and any compensation due Broker is in compliance with all applicable federal, state, and local laws, rules and regulations, including but not limited to state usury laws, state licensing laws, the Fair Credit Reporting Act, the Equal Credit Opportunity Act, the Truth in Lending Act, and the Real Estate Settlement Procedures Act.
- j) To the best of Broker's knowledge, after due inquiry, there does not exist any circumstance or condition with respect to the Loan Application Package, the property to be encumbered, the loan applicant, or the loan applicant's credit standing which: (i) can be reasonably expected to cause institutional or private investors to regard the Loan as unacceptable for investment purposes, (ii) may cause the Loan to become delinquent, or (iii) may adversely affect the value or marketability of the Loan.
- k) To the best of Broker's knowledge, after due inquiry, each Loan Application Package submitted by Broker to Lender is true and correct in all material respects and does not fail to include any information required to be stated or necessary to make each such Loan Application Package not misleading.
- l) No Loan Application Package registered with Lender is or will be registered with another lender unless Lender issues an underwriting declination or the Loan Application Package is withdrawn at the Borrower's request.
- m) The knowledge of Lender of any breach of any of the foregoing warranties at the time of acceptance of any Loan Application Package or closing of any Loan shall not impair or constitute a waiver of any obligation of Broker with respect thereto. The representations and warranties set forth in this paragraph shall survive delivery to and funding by Lender of the related Loan and shall survive the termination of this Agreement.

The representations and warranties set forth in this paragraph shall survive the termination of this Agreement.

14. *Lender's Warranties.* Lender hereby represents and warrants to Broker as follows:

- a) Lender is a corporation, duly organized, validly existing and in good standing under the laws of the State of California, and has all licenses necessary to conduct its business as it is now being conducted, and is licensed and qualified to transact business and is in

good standing in the states in which the property to be encumbered in connection with the Loans is located. Lender has the power and authority to own its assets and to carry on its business as it is now being conducted and is in compliance with all applicable laws governing the business of mortgage lending.

- b) This Agreement has been duly authorized, executed and delivered to Broker and constitutes the valid and legally binding obligation of Lender, enforceable in accordance with its terms, except as to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally.
- c) The performance by Lender of Lender's obligations hereunder will not violate any provisions of the articles of incorporation or bylaws of Lender, or of any instrument relating to the conduct of Lender's business or of any other instrument or agreement to which Lender is a party.

The representations and warranties set forth in this paragraph shall survive the termination of this Agreement.

15. **Broker's Indemnification Agreement.** Broker agrees to indemnify, defend and hold harmless Lender and each Lender and their directors, officers, trustees, agents and employees from any liability or loss whatsoever, including but not limited to, damages, penalties, fines, costs, expenses and attorney's fees arising out of or connected with (a) any breach of any representation, warranty or obligation of Broker contained in this Agreement, the Guidelines or any other documentation delivered in connection with this Agreement, (b) any negligent or willful act or omission by Broker in the performance of Broker's obligations under this Agreement, or (c) any violation by Broker of any federal, state or local law or regulation pertaining to the activities contemplated by this Agreement. All rights and remedies provided in this Agreement to Lender and Lender shall inure to the benefit of Lender and Lender, their successors and assigns and any assignee of or participant in any Loan, and shall survive the termination of this Agreement or the repurchase of any Loan by Broker.

16. **Repurchase.** At Lender's option and as part of Broker's duty to indemnify Lender pursuant to paragraph 15, Broker shall repurchase from Lender any Loan with respect to which there has been a breach of any term, condition, representation or warranty contained in this Agreement or the Guidelines. Broker shall pay to Lender, upon demand, the repurchase price for such Loan, which shall be the greater of the funding amount advanced by Lender plus any unpaid accrued interest and fees, if any, less any principal reductions received by Lender, or such greater amount as Lender may be required to pay to repurchase the Loan from any subsequent investor. The repurchase remedy contained in this paragraph shall not constitute Lender's or Lender's exclusive remedy, and Lender and Lender shall have recourse to all other available remedies hereunder, at law and in equity.

17. **Termination.** Except as otherwise provided herein, this Agreement may be terminated at any time by either Lender or Broker. Such termination shall be effective upon receipt

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of written notice of termination, but in no event later than five (5) days following the issuance of written notice. The obligations of the parties with respect to Loan Application Packages which have been registered with Lender prior to receipt of such written notice of termination shall survive the termination of this Agreement. Lender may terminate this Agreement effective immediately without notice to Broker in the event of a breach by Broker of any of Broker's obligations, representations or warranties contained in this Agreement or the Guidelines.

18. *Inspection and Maintenance of Records.* Broker shall permit Lender or its regulators, internal auditors or independent auditors or any officer of Lender or representative of Lender to investigate Broker's operations and business with Lender, and to investigate and copy its files pertaining to Loan Application Packages. Broker shall maintain in its possession, available for such inspection and copying, all documentation and records relating to Broker's compliance with the terms of this Agreement. Broker agrees to retain all documentation and correspondence pertaining to this Agreement and any transactions hereunder for the period required by applicable federal or state laws and regulations or in accordance with Lender's record keeping guidelines, whichever provides for the longer retention period.

19. *No Third Party Beneficiaries.* This Agreement is made for the sole protection and benefit of the parties and Lenders, and except as noted in the next sentence, no other person shall have any right of action under this Agreement as a third-party beneficiary or otherwise. Lenders, their successors and assigns, are expressly made third party beneficiaries of this Agreement with direct right of action under it.

20. *Notices.* Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon actual delivery or upon the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, to the address for each party set forth below or to such other address as Lender or Broker shall specify in writing to the other:

If to Lender: Fremont Investment & Loan
Attn: General Counsel
175 N. Riverview Drive
Anaheim, California 92808

If to Broker: See below for name and address.

21. *Miscellaneous.* Modifications, waivers and approvals required from or given by either party to this Agreement shall be effective only if in writing and signed by such party, provided, however, that nothing set forth in this paragraph shall affect Lender's right to review, amend or revoke the materials described herein as expressly being subject to such right. Broker may not assign its rights or obligations under this Agreement. In the event that a court of competent and final jurisdiction shall hold any provisions of this Agreement to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement. The captions inserted in

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this Agreement are for the sake of convenience only and in no way define, limit, extend or interpret the scope of this Agreement or of any particular paragraph hereof. If it is determined that a party has failed to perform under any provision of this Agreement, then the prevailing party shall be entitled to recover from the losing party, on demand, reasonable attorney's fees and other reasonable out-of-pocket expenses incurred in connection with such dispute.

22. *Governing Law and Forum.* This Agreement is governed by, and shall be construed in accordance with, the laws of the State of California. Any dispute involving the enforcement or interpretation of this Agreement shall be decided by binding arbitration in accordance with the Commercial Rules of the American Arbitration Association administered from the office of the AAA serving Orange County, California. Without waiving the requirement to arbitrate, if either party deems it necessary to seek provisional relief or to compel arbitration or to confirm an award, the venue and forum for such action shall be the Superior Court of the State of California for the County of Orange, to which the parties consent to jurisdiction. Each of the persons and entities who are shareholders or partners of Broker, if any, also agrees to said venue and forum and further agrees that, if they are not resident of said county at the time of such action, service of process may be had on them by delivery to them via United States registered or certified mail. This Agreement and the Loan Submission Guidelines constitute the entire agreement between the parties and supersede any and all prior written or oral agreements between the parties as to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Wholesale Brokerage Agreement to be executed by their duly authorized representatives as of the date set forth above.

Broker: Country Mortgage Services, INC.

By: Vasile Kerkut Its: President

Broker's Mailing Address: 2500 E. Devon Avenue #200

City Des Plaines State IL Zip Code 60018

LENDER: Fremont Investment & Loan

By: _____ Its: _____

Parties' Initials: [VK]